

NOTICE OF PUBLIC HEARING

WITH RESPECT TO ATLANTIS HOLDING CO. LLC AND THE PROVIDING OF FINANCIAL ASSISTANCE THERE TO BY THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY

NOTICE IS HEREBY GIVEN that a public hearing, pursuant to Section 859-a(2) of the General Municipal Law will be held by the Town of Riverhead Industrial Development Agency (the "Agency") on November 9, 2009 at 5:15 p.m. prevailing time at the Riverhead Town Hall, 200 Howell Avenue, Riverhead, New York, in connection with an application for financial assistance from Atlantis Holding Co. LLC, a limited liability company qualified to do business in the State of New York having an office at 431 Main street, Riverhead, New York ("Atlantis"), with respect to the construction and equipping of a new addition to an existing building at 431 Main Street, Riverhead, presently owned by Atlantis, for use as additional exhibit, banquet and conference center space, and construction and equipping of a new building for use as a hotel, and incidental expenses in connection therewith, at an aggregate cost, including costs associated with the financing thereof, estimated to be \$24,323,000 (the "Project"). The Project is expected to be subleased to, or otherwise used by, Atlantis Marine World LLC, a limited liability company qualified to do business in the State of New York with an office at 431 East Main Street, Riverhead, New York, which is presently under common ownership with Atlantis. The Agency proposes to acquire either an ownership or a leasehold interest in the Project from Atlantis, to lease with an option to buy or to sell the Project to Atlantis, to appoint Atlantis agent of the Agency with respect to acquiring, equipping and maintaining the Project and to provide financial assistance to Atlantis with respect to the Project through (i) the provision of an exemption from Mortgage Recording Taxes, (ii) the provision of an exemption from Sales and Compensating Use Taxes on certain property, including tangible personal property, (iii) the issuance of obligations of the Agency which would be eligible for a Federal tax credit in respect of a portion of the interest thereon under the provisions of the American Recovery and Reinvestment Act of 2009 ("ARRA"), if such obligations receive a special allocation of ARRA volume cap and such obligations meet certain requirements for obligations the interest on which is not includable in the gross income of the owners thereof for federal income tax purposes (such qualifying obligations, hereinafter "ARRA Tax Credit Obligations") to finance all or a portion of the Project and (iv) a partial abatement of real property taxes by granting a full abatement, for a ten year period, of real property taxes attributable to any increase in assessed value of the real property comprising the Project over the present assessed value of such real property. The financial assistance described in (i), (ii) and (iii), above, would be consistent with the uniform tax-exemption policy adopted by the Agency pursuant to Subdivision 4 of Section 874 of the General Municipal Law, but the financial assistance described in (iv), above, would be a deviation from said policy. The Agency is considering this deviation from such policy, which has been requested by Atlantis, because a) the Project is located within a highly distressed area as determined by the Riverhead Town Board through the adoption of the East Main Street Urban

Renewal Plan and the supporting SEQRA record on file with the Riverhead Town Clerk, b) the Project is considered to be extremely significant and vital to the economic health and well being of the Town of Riverhead, Suffolk County and the Long Island Region, and c) pursuant to General Municipal Law Section 854(18), the Project is within an area designated to be an Empire Zone pursuant to Article 18A of such law.

The initial owner of the Project will be Atlantis. The amount of ARRA Tax Credit Obligations anticipated to be issued by the Agency for the Project is anticipated not to exceed \$19,123,000.

The Agency has declared itself "lead agency" in accordance with the provisions of the State Environmental Quality Review Act with respect to the Agency's providing the aforescribed financial assistance to Atlantis with respect to the Project and has determined that the provision of said financial assistance will not have a significant effect on the environment.

Further information on the proposed Project, including the application for such financial assistance, is available from the Agency at the address given above.

The Agency will, at the above stated time and place, provide all interested parties with reasonable opportunity, both orally and in writing, to present their views with respect to the Project and the providing of financial assistance being contemplated to be provided to Atlantis by the Agency with respect to the Project, as herein described. A copy of the application filed by Atlantis with respect to the Project is available for public inspection at the Agency's office, located at Town Hall, during normal business hours.

Dated: October 16, 2009

TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY